

GrubHub Driver Pay Fight Moves Forward

By

[Joel Rosenblatt](#)

October 11, 2018, 5:44 PM EDT



Photographer: Andrew Harrer/Bloomberg

A federal judge who has ruled that a former driver for GrubHub Inc. was properly treated by the company as an independent contractor said there's a "substantial question" whether he should be considered an employee after an [April ruling](#) by California's highest court.

U.S. Magistrate Judge Jacqueline Scott Corley was asked by the driver's lawyer to reconsider her ruling and said at a hearing Thursday that the issue should probably be decided by a state court.

Key Insights

-
- GrubHub was the first gig-economy company taken to trial over worker classification, and how the case is ultimately decided may have a broad impact on the business model of other sharing-economy startups, including Uber Technologies
 - The lawyer representing the GrubHub driver, Shannon Liss-Riordan, said the case presents the "perfect opportunity" to ask a federal appeals court to move the lawsuit to the California Supreme Court, which she said may be the fastest way to resolve the dispute
 - The stakes are high because the litigation may determine whether drivers qualify under California's new contractor-status test to be reimbursed for their personal vehicle expenses, and whether the drivers can claim expenses retroactively